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Before the

FEDERAL COMMUNICATIONS COMMISSION FEDERAL COMMUNICATIONS COMMISSION SEP 24 Washington D.C. 20554 OFFICE OF THE SECRETARY

In the Matter of

DISPACHED BY

Amendment of Part 61 of the Commission's Rules to Require Quality of Service Standards in

Local Exchange Carrier Tariffs

AAD 92-39

REPLY OF THE AMERITECH OPERATING COMPANIES

The Ameritech Operating Companies¹ (the "Companies") submit these reply comments on the petition for rulemaking filed by the International Communications Association and the Consumer Federation of America (hereafter jointly referred to as "ICA/CFA" or "Petitioners").

The Companies are in complete agreement with the points made by all the parties opposing the petition.² The petition is defective in that it merely restates arguments that were previously made by the Petitioners and rejected by the Commission in the price cap proceeding. Moreover, it reiterates an issue raised by the pending application for review filed with respect to the Common Carrier Bureau's order implementing the price cap reporting requirements.³

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¹ The Ameritech Operating Companies are: Illinois Bell Telephone Company, Indiana Bell Telephone, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

² The petition was opposed by Bell Atlantic, BellSouth, GTE, MCI, NYNEX, Pacific Bell and Nevada Bell, Rochester Telephone, Southern New England Telephone Company, Southwestern Bell, United, USTA, US West, and the Ameritech Operating Companies.

³ In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, CC Docket No. 87-313, Memorandum Opinion and Order, DA 91-619, (released May 17, 1991) ("Bureau Order"). The application for review was filed by TCA (a supporter of Petitioners in this proceeding) and joined by the Petitioners as well as by ADAPSO and IDCMA, also supporters of Petitioners in this proceeding. Thus, Petitioners, and all the parties supporting Petitioners in this proceeding, have joined in an application for review that has raised the same issue before the Commission and which is still pending.

Nonetheless, Petitioners claim that the petition is justified by the "fundamentally changed circumstances resulting from newly available information." Those "changed circumstances," according to Petitioners, are the responses of local exchange carriers ("LECs") to a Congressional inquiry regarding service quality standards. Those responses, however, contained information which, for the most part, was already known to the industry. In other words, that "newly available information" is information that has been available to the industry for some time.

Moreover, the provision of that information to Congress has no bearing on the Commission's decision to avoid becoming involved in disputes that would require it to establish *de facto* national service standards. As the Bureau noted:

It appears likely that a requirement that interstate tariffs include service quality standards would lead to various challenges of the standards so filed, with the result that the Commission would be expected to rule upon the acceptability of these standards, and probably to enforce them. This is tantamount to establishing national standards...⁵

Although Petitioners and their supporters deny that it is their intent that the Commission establish national standards, their comments speak otherwise. The Petitioners admit

that the Commission could be asked to rule upon the reasonableness of, and perhaps to enforce, tariffed quality of service standards. The users which comprise the Joint Petitioners will themselves oppose a tariff revision which set an unacceptably low standard for service quality.⁶

⁴ Petition at 2.

⁵ Bureau Order at ¶ 44.

⁶ Petition at 16.

Further, they admit "the small potential that the Commission could become involved in disputes over service quality standards." With standards already known and available to the industry, Petitioners' desire to bring standards into a more formalized regulatory process appears specifically designed to involve the Commission in national standards-setting. Petitioners' discussion of the "benchmarking" benefits of tariffed standards can mean only that it is their intent that a set of minimum reasonable standards be imposed by the Commission.

Moreover, Petitioners' supporters admit their intent to involve the Commission in the standard-setting process. TCA, for example, notes "such tariffing would enable users and the Commission to 'benchmark' carriers and identify any companies that have unreasonably low standards." IDCMA states that high speed transmission "requires that local exchange carriers provide comparable performance for the critical 'last mile' links between users and interexchange carriers' points of presence." ITAA contends that "the Commission should prohibit carriers from adopting service quality standards which are at extreme variance with the LECs' internal standards" and that "benchmarking' between carriers ... will help ensure that LECs establish and maintain meaningful quality of service standards." Thus, it is clear that the incorporation of service quality standards into the tariff process will necessarily involve the Commission in the determination of industry standards.

⁷ Id. at 17.

⁸ TCA at 4. Moreover, TCA would expand the list of standards to be included in tariffs beyond those sought by the Petitioners. TCA at 5.

⁹ IDCMA at 3. (Emphasis added.)

¹⁰ ITAA at 4.

Moreover, neither the Petitioners nor their supporters have made a case showing why such significant Commission involvement is necessary. No evidence has been cited by any party to show that the LECs' networks are deteriorating or that the quality of the LECs' services is slipping. Thus, Petitioners have failed to provide adequate justification for the Commission to deviate from its prior refusal to require that price cap carrier service quality standards be included in tariffs. The petition, therefore, should be denied.

Respectfully submitted,

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Dated: July 13, 1992

CERTIFICATE OF SERVICE

I, Audrey L. Hankel, do hereby certify that a copy of the reply comments of the Ameritech Operating Companies has been mailed this 13th day of July, 1992, by first-class mail, postage prepaid, to the parties on the attached service list:

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